

Document Page 1 of 7
VOLUNTARY PETITION

United States Bankruptcy Court Northern District of Texas Dallas Division						VOLUNTARY PETITION																									
Name of Debtor (if individual, enter Last, First, Middle): AVADO OPERATING CORP.				Name of Joint Debtor (Spouse) (Last, First, Middle):																											
All Other Names used by Debtor in the last 6 years (include married, maiden, and trade names): McCormick & Schmick Operating Corp.				All Other Names used by Joint Debtor in the last 6 years (include married, maiden, and trade names):																											
Soc. Sec./Tax I.D. No. (if more than one, state all): 58-2407429				Soc. Sec./Tax I.D. No. (if more than one, state all):																											
Street Address of Debtor (No. & Street, City, State & Zip Code): Hancock at Washington Madison, Georgia 30650				Street Address of Debtor (No. & Street, City, State & Zip Code):																											
County of Residence or of the Principal Place of Business: Morgan County				County of Residence or of the Principal Place of Business:																											
Mailing Address of Debtor (if different from street address):				Mailing Address of Joint Debtor (if different from street address):																											
Location of Principal Assets of Business Debtor (if different from addresses listed above):																															
INFORMATION REGARDING DEBTOR (Check the Applicable Boxes)																															
Venue (Check any applicable box) <input type="checkbox"/> Debtor has been domiciled or has had a residence, principal place of business or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District. <input checked="" type="checkbox"/> There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.																															
Type of Debtor (Check all boxes that apply) <input type="checkbox"/> Individual <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other _____ <input type="checkbox"/> Railroad <input type="checkbox"/> Stockbroker <input type="checkbox"/> Commodity Broker				Chapter or Section of Bankruptcy Code Under Which the Petition Is Filed (Check one box) <input type="checkbox"/> Chapter 7 <input checked="" type="checkbox"/> Chapter 11 <input type="checkbox"/> Chapter 9 <input type="checkbox"/> Chapter 12 <input type="checkbox"/> Sec. 304-Case ancillary to foreign proceeding																											
Nature of Debts (Check one box) <input type="checkbox"/> Consumer/Non-Business <input checked="" type="checkbox"/> Business				Filing Fee (Check one box) <input checked="" type="checkbox"/> Full Filing Fee attached. <input type="checkbox"/> Filing Fee to be paid in installments (Applicable to individuals only) Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form No. 3.																											
Chapter 11 Small Business (Check all boxes that apply) <input type="checkbox"/> Debtor is a small business as defined in 11 U.S.C. § 101. <input type="checkbox"/> Debtor is and elects to be considered a small business under 11 U.S.C. § 1121(e). (optional)																															
Statistical/Administrative Information (Estimates only) <input checked="" type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors. <input type="checkbox"/> Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors						THIS SPACE IS FOR COURT USE ONLY																									
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* The estimates reflect consolidated information from Avado Brands, Inc. and its affiliates (collectively, the "Avado Entities", listed on the attached Annex (A) filing voluntary petitions with the United States Bankruptcy Court for the Northern District of Texas - Dallas Division on February 1, 2004.

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VOLUNTARY PETITION <i>(This page must be completed and filed in every case)</i>		Form B1, Page 2	
Prior Bankruptcy Case Filed Within Last 6 Years (If more than one, attach additional sheet)			
Location Where Filed: None		Case Number: _____ Date Filed: _____	
Pending Bankruptcy Case Filed by Any Spouse, Partner, or Affiliate of this Debtor (If more than one, attach additional sheet.)			
Name of Debtor: See Annex A		Case Number: _____ Date Filed: _____	
District: _____		Relationship: _____ Judge: _____	
SIGNATURES			
Signature(s) of Debtor(s) (Individual/Joint) I declare under penalty of perjury that the information provided in this petition is true and correct. [If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12 or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7. I request relief in accordance with the chapter of title 11, United States Code, specified in this petition. <input checked="" type="checkbox"/> _____ Signature of Debtor <input checked="" type="checkbox"/> _____ Signature of Joint Debtor Telephone Number (If not represented by attorney) _____ Date _____		Signature of Debtor (Corporation/Partnership) I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor. The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition. <input checked="" type="checkbox"/> _____ Signature of Authorized Individual <u>Kevin J. Leary</u> Name of Authorized Individual Authorized Signatory for Avado Operating Corp. Title of Authorized Individual February 4, 2004 Date	
_____ Signature of Attorney _____ Signature of Attorney for Debtor(s) George N. Panagakis Printed Name of Attorney for Debtor(s) Skadden, Arps, Slate, Meagher & Flom LLP Firm Name 333 W. Wacker Drive, Chicago, IL 60606-1285 Address (312) 407-0700 Telephone Number February 4, 2004 Date		Signature of Non-Attorney Petition Preparer I certify that I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110, that I prepared this document for compensation, and that I have provided the debtor with a copy of this document. _____ Printed Name of Bankruptcy Petition Preparer _____ Social Security Number _____ Address _____ Names and Social Security numbers of all other individuals who prepared or assisted in preparing this document: If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person. <input checked="" type="checkbox"/> _____ Signature of Bankruptcy Petition Preparer _____ Date A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both 11 U.S.C. § 110; 18 U.S.C. § 156.	
EXHIBIT A (To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11) <input type="checkbox"/> Exhibit A is attached and made a part of this petition.			
EXHIBIT B (To be completed if debtor is an individual whose debts are primarily consumer debts) I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter. <input checked="" type="checkbox"/> _____ Signature of Attorney for Debtor(s) _____ Date			

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

----- X	:	
In re:	:	
	:	Chapter 11
AVADO OPERATING CORP.,	:	
	:	
	:	Case No. 04-_____ ()
Debtor.	:	
----- X		

**CONSOLIDATED LIST OF CREDITORS HOLDING 50 LARGEST
UNSECURED CLAIMS**

A list of the creditors holding the 50 largest unsecured claims against Avado Operating Corp., and certain of its subsidiaries and affiliates, (collectively, the "Avado Entities") was included with the petition of Don Pablo's of Texas, LP. The list has been prepared on a consolidated basis, based upon the books and records of the Avado Entities, all of which have contemporaneously commenced chapter 11 cases in this Court. The information presented in the list shall not constitute an admission by, nor is it binding on, the Avado Entities.¹

The list is prepared in accordance with Fed. R. Bankr. P. 1007(d) for filing in this chapter 11 case. The list does not include (1) persons who come within the definition of "insider" set forth in 11 U.S.C. § 101 or (2) secured creditors unless the value of the collateral is such that the unsecured deficiency places the creditor among the holders of the 50 largest unsecured claims.²

¹ The Avado Entities may file the schedules of assets and liabilities (the "Schedules") in accordance with 11 U.S.C. § 521 and Fed. R. Bankr. P. 1007. The information contained in the Schedules may differ from the information set forth below.

² The Avado Entities have not yet identified all of the 50 largest unsecured claims, if any, that are contingent, unliquidated, disputed and/or subject to setoff. The Avado Entities reserve the right to identify any of the 50 largest unsecured claims in their Schedules as contingent, unliquidated, disputed and/or subject to setoff, as appropriate.

**CERTIFICATE OF SECRETARY AS TO RESOLUTIONS ADOPTED BY
THE BOARD OF DIRECTORS OF AVADO OPERATING CORP.**

The undersigned, Percy V. Williams, being the duly elected Secretary of Avado Operating Corp., a Georgia Corporation (the "Company"), does hereby certify that the Board of Directors of the Company (the "Board"), at a meeting of the Board held on February 4, 2004, has duly adopted the following resolutions, and such resolutions have not been amended or rescinded and are now in full force and effect:

RESOLVED, that in the judgment of the Board of Directors of the Company it is desirable and in the best interests of the Company, its creditors, its stockholders and other interested parties, that a petition be filed by the Company in the United States Bankruptcy Court for the Northern District of Texas - Dallas Division (the "Bankruptcy Court") seeking relief under the provisions of chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"), in which the authority to operate as a debtor-in-possession will be sought, and the filing of such petition is authorized hereby; and it is further

RESOLVED, that each of Kevin J. Leary, Michael A. Feder, Louis J. Profumo and Edward M. Burr be appointed by the Board of Directors of the Company as an authorized signatory (each, an "Authorized Signatory") and a Vice President and Assistant Secretary in connection with the chapter 11 case authorized herein; and it is further

RESOLVED, that each Authorized Signatory and each officer of the Company, together with any other person or persons hereafter designated by the Board of Directors of the Company, or any one of such persons (each, individually, an "Authorized Officer," and, individually and collectively, the "Authorized Officers") be, and each of them hereby is, authorized, empowered and directed, on behalf of the Company, to execute and verify a petition in the name of the Company under chapter 11 of the Bankruptcy Code and to cause the same to be filed in the Bankruptcy Court in such form and at such time as

the Authorized Officer executing said petition on behalf of the Company shall determine; and it is further

RESOLVED, that the Authorized Officers be, and each of them hereby is, authorized, directed and empowered, on behalf of and in the name of the Company, to execute and/or file, or cause to be executed and/or filed (or to direct others to do so on their behalf as provided herein), all necessary documents including, but not limited to, all petitions, affidavits, schedules, motions, lists, applications, pleadings and other papers, and in that connection to employ and retain all assistance by legal counsel, accountants or other professionals and to take any and all other action, that they or any of them deem necessary, proper or desirable in connection with the chapter 11 case contemplated hereby, with a view to the successful prosecution of such case; and it is further

RESOLVED, that the Authorized Officers be, and each of them hereby is, authorized and empowered, in the name and on behalf of the Company, to take or cause to be taken, from time to time, any and all such further action and to execute and deliver, or cause to be executed and delivered, all such further agreements, documents, certificates and undertakings including, but not limited to, amendments to the documents contemplated hereby following the effectiveness thereof, and to incur all such fees and expenses as in their judgment shall be necessary, appropriate or advisable, to effectuate the purpose and intent of the foregoing resolutions; and it is further

RESOLVED, that the Company as debtor and debtor-in-possession under chapter 11 of the Bankruptcy Code be, and it hereby is, authorized to enter into a debtor-in-possession financing facility, and in connection therewith, to grant any guarantees, pledges, mortgages, and other security instruments containing such provisions, terms, conditions, covenants, warranties and representations as may be deemed necessary or appropriate by any Authorized Officer to obtain such debtor-in-possession

financing for the Company or its subsidiaries and affiliates; and it is further

RESOLVED, that the Authorized Officers be, and each of them hereby is, authorized and empowered to execute, deliver, and perform for and on behalf of the Company, as debtor and debtor-in-possession, any documents, agreements, guarantees, instruments, financing statements, undertakings and certificates necessary or appropriate to facilitate the transactions contemplated by the foregoing resolution including, but not limited to, any credit agreement, promissory note, letter of credit application, or other document evidencing the obligations of the Company under the debtor-in-possession financing, and any modifications or supplements thereto, all such materials to be in the form approved by such Authorized Officers, the execution and delivery thereof to be conclusive evidence of such approval; and it is further

RESOLVED that the Authorized Officers be, and each of them hereby is, authorized and empowered for and in the name and on behalf of the Company to amend, supplement or otherwise modify from time to time the terms of any documents, certificates, instruments, agreements or other writings referred to in the foregoing resolutions; and it is further

RESOLVED, that the law firm of Skadden, Arps, Slate, Meagher & Flom LLP, 333 West Wacker Drive, Chicago, Illinois 60606-1285, and its affiliated law practice entities be, and hereby are, employed under a general retainer as attorneys for the Company in the chapter 11 case; and it is further

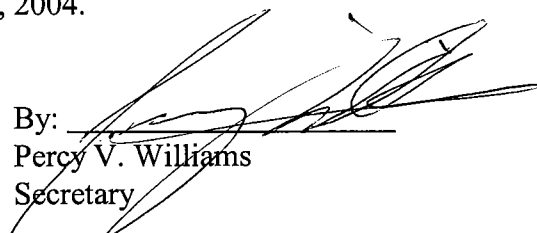
RESOLVED, that the Authorized Officers be, and each of them hereby is, authorized and empowered, in the name and on behalf of the Company, to retain such other professionals as they deem appropriate during the course of the chapter 11 case; and it is further

RESOLVED that the Authorized Officers be, and each of them hereby is, authorized, in the name and on behalf of the Company, to take or cause to be taken any and all such further action and to execute and deliver or cause to be executed or delivered all such further agreements, documents, certificates and undertakings, and to incur all such fees and expenses as in their judgment shall be necessary, appropriate or advisable to effectuate the purpose and intent of any and all of the foregoing resolutions; and it is further

RESOLVED, that all acts lawfully done or actions lawfully taken by any Authorized Officer to seek relief on behalf of the Company under chapter 11 of the Bankruptcy Code, or in connection with the chapter 11 case, or any matter related thereto, including in connection with the debtor-in-possession financing, be, and they hereby are, adopted, ratified, confirmed and approved in all respects as the acts and deeds of the Company; and it is further

RESOLVED, that this consent may be signed in any number of counterparts, each of which, taken together, shall constitute one and the same consent and that, once signed, this consent shall be filed with the corporate records of the Company.

IN WITNESS WHEREOF, the undersigned has duly executed this Certificate of Secretary on this 4 day of February, 2004.

By: 
Percy V. Williams
Secretary